United Nations A/57/453

General Assembly

Distr.: General
7 October 2002

Original: English

Fifty-seventh session
Agenda items 111 and 112

Review of the efficiency of the administrative and financial functioning of the United Nations

Programme budget for the biennium 2002-2003

Procurement reform

Outsourcing practices

Proposed measures to improve the profitability of commercial activities of the United Nations

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on procurement reform (A/57/187), outsourcing practices (A/57/185) and proposed measures to improve the profitability of the commercial activities of the United Nations (A/57/398). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

Procurement reform

2. The report of the Secretary-General (A/57/187) is submitted pursuant to General Assembly resolution 55/247 of 1 May 2001. The Advisory Committee commends the Secretary-General on the format of the report. However, the Committee is of the view that further improvements could be made. For example, in future, the report should have a brief introduction covering other aspects of procurement reform, including potential problems other than those identified in the Assembly resolution.

3. The Advisory Committee notes that while the information in the report relates to 2001 and the first half of 2002, the information in annexes I and II to the report does not go beyond 2001. The Committee requests that, in future, the most up-to-date information be included in the report.

4. The statistical data presented in the report of the Secretary-General on the level of procurement from developing countries demonstrates no significant change in favour of vendors from those countries. Moreover, in some cases it shows a real decline. The total increase in procurement from developing countries is limited to host countries of United Nations peacekeeping operations and their neighbours.

5. However, the Advisory Committee notes the efforts of the Secretariat to disseminate information relating to procurement through its web site, letters to permanent missions and business seminars and briefings to increase procurement opportunities for vendors from developing countries.

02-62346 (E) 091002

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6. On the issue of the simplification of vendor registration, the Advisory Committee was informed that, while a provisionally registered vendor may participate in the bidding process, the registration process must be completed by that vendor before the award of a contract since contracts are awarded only to vendors listed in the United Nations register. **Nevertheless, the Committee expresses its concern about provisional registration in that it might introduce inequality in the way the companies that wish to be registered with the United Nations are treated. The Committee considers it important that any vendor from any country have an equal opportunity to register and that only fully registered vendors who have received legal and financial background scrutiny be awarded contracts.**

7. During the hearings, the Advisory Committee found that the problem of delays in payments to vendors remains chronic and that delays of two or three months beyond the standard 30 days are still frequent. **The Committee considers it important to remedy the situation.**

8. The additional information provided to the Advisory Committee indicated that the total procurement for 2001 amounted to $854.4 million, out of which $222 million, or 26 per cent, related to air transportation services. The Committee notes that this gross figure is inclusive of a number of purchases of services, such as legal, insurance, travel and medical services contracts, which were incorporated into the statistics for the first time (see note 4 of the report). The Committee was informed that, while air transportation of personnel is still conducted only by certified air operators, brokers are allowed to participate in the air shipment of United Nations cargo. According to the Procurement Division, the services of brokers might be more efficient and less expensive. The Committee was informed that out of $105.3 million spent to move United Nations cargo by air in 2000-2001, brokers provided services worth $8.3 million, or approximately 8 per cent, and the balance of $97 million, or 92 per cent, of cargo airlifts was used for certified air operators. **The Committee cautions that, despite the potential economic advantages of using brokers, the safety of United Nations personnel and the cargo they might be accompanying is of paramount importance, as is full compliance with established safety standards and regulations.**

9. On a related matter, the Advisory Committee stresses the importance of ensuring that the Procurement Manual is consistent with the Financial Regulations and Rules of the United Nations.

Outsourcing practices

10. The report of the Secretary-General (A/57/185) is submitted in compliance with the request made by the General Assembly in paragraph 5 of its resolution 55/232 of 23 December 2000. The Advisory Committee notes from the annex to the report that, while the installation and maintenance of electronic software has been outsourced at United Nations Headquarters because technical skills are not readily available, there is no reference to current practice at the United Nations Office at Geneva, the Office of the United Nations High Commissioner for Refugees and the United Nations Office at Vienna. **The Committee requests that this information be included in the next report.**

11. **The Advisory Committee also requests that, in future, whenever an activity is outsourced for reasons of cost efficiency, the related saving should be indicated.**

Proposed measures to improve the profitability of the commercial activities of the United Nations

12. The report of the Secretary-General (A/57/398) is submitted pursuant to General Assembly resolution 56/238 of 24 December 2001 in which the Secretary-General was requested to submit to the Assembly at its fifty-seventh session a single report containing recommendations related to proposed measures to improve the profitability of commercial activities of the United Nations.

13. The Advisory Committee notes from paragraphs 8 and 9 of the report that, in the light of reports, reviews and initiatives being prepared by the Secretary-General that would have an impact on the overall question of the commercial activities of the Organization, the comprehensive recommendations requested by the General Assembly would be submitted in the context of its consideration of the programme budget for the biennium 2004-2005.

United Nations A/57/453/Corr.1

General Assembly

Distr.: General
14 October 2002

Original: English

Fifty-seventh session
Agenda items 111 and 112

Review of the efficiency of the administrative and financial functioning of the United Nations

Programme budget for the biennium 2002-2003

Procurement reform

Outsourcing practices

Proposed measures to improve the profitability of commercial activities of the United Nations

Report of the Advisory Committee on Administrative and Budgetary Questions

Corrigendum

Document A/57/453 is hereby withdrawn.

The report of the Advisory Committee on Administrative and Budgetary Questions on procurement reform, outsourcing practices and proposed measures to improve the profitability of the United Nations is being issued as document A/57/7/Add.1.

02-63640 (E) 141002

United Nations A/57/454

General Assembly

Distr.: General
7 October 2002

Original: English

Fifty-seventh session
Agenda item 70
The risk of nuclear proliferation in the Middle East

The risk of nuclear proliferation in the Middle East

Report of the Secretary-General*

1. At its fifty-sixth session, on 29 November 2001, the General Assembly adopted resolution 56/27, entitled "The risk of nuclear proliferation in the Middle East", in which the Assembly:

(a) Welcomed the conclusions on the Middle East of the 2000 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons (para. 1);

(b) Reaffirmed the importance of Israel's accession to the Treaty on the Non-Proliferation of Nuclear Weapons and placement of all its nuclear facilities under comprehensive International Atomic Energy Agency safeguards, in realizing the goal of universal adherence to the Treaty in the Middle East (para. 2);

(c) Called upon that State to accede to the Treaty on the Non-Proliferation of Nuclear Weapons without further delay and not to develop, produce, test or otherwise acquire nuclear weapons, and to renounce possession of nuclear weapons, and to place all its unsafeguarded nuclear facilities under full-scope International Atomic Energy Agency safeguards as an important confidence-building measure among all States of the region and as a step towards enhancing peace and security (para. 3);

(d) Requested the Secretary-General to report to the General Assembly at its fifty-seventh session on the implementation of the resolution (para. 4).

2. The present report is being submitted pursuant to paragraph 4 of that resolution. Apart from the material forwarded by the International Atomic Energy Agency (see annex), the Secretary-General has not received any additional information since the submission of his most recent report on the subject (A/56/425) to the General Assembly at its fifty-sixth session.

* Finalization of the report was dependent on the outcome of the forty-sixth session of the General Conference of the International Atomic Energy Agency, 16 to 20 September 2002.

02-62433 (E) 101002

Annex

Application of International Atomic Energy Agency safeguards in the Middle East

Resolution GC(46)/RES/16 adopted by the General Conference of the International Atomic Energy Agency at its 10th plenary meeting, on 20 September 2002

The General Conference,

(a) Recognizing the importance of the non-proliferation of nuclear weapons - both globally and regionally - in enhancing international peace and security,

(b) Mindful of the usefulness of the Agency's safeguards system as a reliable means of verification of the peaceful uses of nuclear energy,

(c) Concerned by the grave consequences, endangering peace and security, of the presence in the Middle East region of nuclear activities not wholly devoted to peaceful purposes,

(d) Welcoming the initiatives regarding the establishment of a zone free of all weapons of mass destruction, including nuclear weapons, in the Middle East and recent initiatives regarding arms control in the region,

(e) Recognizing that full realization of these objectives would be promoted by the participation of all States of the region,

(f) Commending the efforts of the Agency concerning the application of safeguards in the Middle East and the positive response of some States in concluding a full-scope safeguards agreement, and

(g) Recalling its resolution GC(45)/RES/18,

1. Takes note of the Director General's report in document GOV/2002/34-GC(46)/9 and Addenda 1 and 2 thereto;

2. Affirms the urgent need for all States in the Middle East to forthwith accept the application of full-scope Agency safeguards to all their nuclear activities as an important confidence-building measure among all States in the region and as a step in enhancing peace and security in the context of the establishment of a nuclear-weapon-free zone (NWFZ);

3. Calls upon all parties directly concerned to consider seriously taking the practical and appropriate steps required for the implementation of the proposal to establish a mutually and effectively verifiable NWFZ in the region, and invites the countries concerned to adhere to international non-proliferation regimes, including the Treaty on the Non-Proliferation of Nuclear

Weapons, as a means of complementing participation in a zone free of all weapons of mass destruction in the Middle East and of strengthening peace and security in the region;

4. Takes note of the importance of the on-going bilateral Middle East peace negotiations and the activities of the multilateral working group on Arms Control and Regional Security in promoting mutual confidence and security in the Middle East, including the establishment of an NWFZ, and calls on the Director General, as requested by the participants, to render all necessary assistance to the working group in promoting that objective;

5. Requests the Director General to continue consultations with the States of the Middle East to facilitate the early application of full-scope Agency safeguards to all nuclear activities in the region as relevant to the preparation of model agreements, as a necessary step towards the establishment of an NWFZ in the region, referred to in resolution GC(XXXVII)/RES/627;

6. Calls upon all States in the region to extend their fullest co-operation to the Director General in the fulfilment of the tasks entrusted to him in the preceding paragraph;

7. Further calls upon all States in the region to take measures, including confidence-building and verification measures, aimed at establishing an NWFZ in the Middle East;

8. Calls upon all other States, especially those with a special responsibility for the maintenance of international peace and security, to render all assistance to the Director General by facilitating the implementation of this resolution; and

9. Requests the Director General to submit to the Board of Governors and to the General Conference at its forty-seventh regular session a report on the implementation of this resolution and to include in the provisional agenda for that session an item entitled "Application of IAEA safeguards in the Middle East".

United Nations A/57/4

General Assembly

Distr.: General
8 October 2002

Original: English

Fifty-seventh session
Agenda item 76
United Nations Relief and Works Agency for Palestine Refugees in the Near East

Palestine refugees' properties and their revenues

Report of the Secretary-General*

Summary

On 27 June 2002, the Secretary-General sent note verbales to Israel and all other Member States, drawing their attention to the relevant provisions of resolutions 56/52 to 56/58, including paragraph 5 of resolution 55/57, and requesting information by 16 August 2002 concerning any action taken or envisaged in relation to their implementation. A reply dated 15 August 2002 was received from Israel, covering various aspects of resolutions 56/52 to 56/58. The full text of the reply is reproduced in the report. No replies have been received from other Member States regarding paragraph 5 of resolution 56/57.

* This report is being submitted on 8 October 2002 so as to include the most up-to-date information possible.

02-62479 (E) 211002

1. The present report is submitted pursuant to General Assembly resolution 56/57 of 10 December 2001 on Palestine refugees' properties and their revenues.

2. On 27 June 2002, the Secretary-General drew the attention of the Permanent Representative of Israel to the United Nations to resolutions 56/52 to 56/58 of 10 December 2001, with the request that the Permanent Representative of Israel inform him by 16 August 2001 of any steps his Government had taken or envisaged taking in implementation of the relevant provisions of the resolutions.

3. On 27 June 2002, the Secretary-General sent a note verbale to all other Member States, drawing their attention to the relevant provisions of resolutions 56/52 to 56/58, including paragraph 5 of resolution 55/57, and requesting information by 16 August 2002 concerning any action taken or envisaged in relation to their implementation.

4. A reply dated 15 August 2002 was received from Israel, covering various aspects of resolutions 56/52 to 56/58. The text reads as follows:

> "Israel's position on these resolutions has been set forth in successive annual replies submitted to the Secretary-General in recent years, the latest of which being Israel's Note Verbale of 30 July 2001. Israel regrets the fact that the resolutions regarding the United Nations Relief and Works Agency (UNRWA) remain rife with political issues irrelevant to the work for which UNRWA is responsible and thus remain detached from the reality in the area. Accordingly, Israel abstained on resolution 56/55 and voted against resolutions 56/52, 56/54, 56/56, 56/57 and 56/58.
>
> "While Israel continues to support UNRWA's humanitarian mission, it remains concerned regarding a number of issues related to UNRWA's conduct. On several occasions, UNRWA has issued one-sided statements devoid of any recognition of the security context in which Israel operates or of Israel's legitimate right to take measures in defense of its citizens. Israel does not consider such statements helpful or conducive to a productive working relationship with UNRWA.
>
> "UNRWA has also remained silent while an extensive infrastructure of Palestinian terrorism has taken root in Palestinian refugee camps. These terrorist activities are not only clear violations of Security Council resolutions, which require that the civilian character of refugee camps be maintained, but also directly endanger the lives of civilians residing nearby. While Israel recognizes that UNRWA does not have a mandate to enforce security and public order in the refugee camps, it does believe that UNRWA is in a position to draw attention to the misuse of refugee camps by armed elements in the interests of the safety and security of the civilian population, in line with Security Council resolutions adopted on this subject.
>
> "Finally, UNRWA also must take care to ensure that its facilities, as well as the textbooks and other educational materials in use in its schools, do not glorify terrorism, incite young children to acts of violence or propagate anti-Semitic ideas and images.
>
> "Israel continues to believe that UNRWA can play an important role in promoting the social and economic advancement foreseen in the agreements between Israel and the Palestinians, within the limits of its humanitarian

mandate, and accordingly looks forward to continuing its cooperation and good working relationship with UNRWA.

"Israel urges the Secretary-General and UNRWA to consider, together with the parties concerned, ways in which the organization can enhance the fulfilment of its mandate in an accountable and responsible manner in the best interests of those whom UNRWA has been charged to serve."

5. No replies have been received from other Member States with regard to paragraph 5 of resolution 56/57.

United Nations A/57/456

General Assembly

Distr.: General
8 October 2002

Original: English

Fifty-seventh session
Agenda item 76
United Nations Relief and Works Agency for Palestine Refugees in the Near East

University of Jerusalem "Al-Quds" for Palestine refugees

Report of the Secretary-General*

Summary

Pursuant to General Assembly resolution 56/58, the Secretary-General again requested the Government of Israel to facilitate the visit of an expert to complete the functional feasibility study on establishing the proposed University of Jerusalem "Al-Quds" for Palestine refugees. In a note verbale of 15 August 2002 to the Secretary-General, the Permanent Representative of Israel stated that Israel had voted consistently against this resolution and its position remained unchanged. In view of the position taken by the Government of Israel, it has not been possible to complete the functional feasibility study on the proposed university at Jerusalem as planned.

* The document was submitted late to the conference services without the explanation required under paragraph 8 of General Assembly resolution 53/208 B, by which the Assembly decided that, if a report is submitted late, the reason should be included in a footnote to the document.

02-62473 (E) 181002

1. The present report is submitted in pursuance of General Assembly resolution 56/58 of 10 December 2001, the twenty-second resolution adopted since its first consideration of the subject at its thirty-fifth session (resolution 35/13 B of 3 November 1980).

2. The Secretary-General has submitted 20 reports (the last one being A/56/421) on the steps he has taken in pursuance of those resolutions, including his efforts to prepare the functional feasibility study on establishing the proposed university that was first requested by the General Assembly in its resolution 36/146 G of 16 December 1981. The position of the Government of Israel with regard to the establishment of the university is also set out in those reports.

3. As the Secretary-General has previously indicated (see A/41/457, para. 4), he believes that, in order to comply with the request addressed to him by the General Assembly, it would be necessary to complete the functional feasibility study initiated in pursuance of previous Assembly resolutions. To that end, the Secretary-General again sought the assistance of the Rector of the United Nations University, who, at his request, made available a highly qualified expert, Mihaly Simai, to assist in the preparation of the study. The expert was to visit the area and meet with the relevant Israeli officials, bearing in mind that Israel exercises effective authority in the area concerned.

4. In a note verbale dated 27 June 2002 addressed to the Permanent Representative of Israel to the United Nations, the Secretary-General, with reference to the request addressed to him by the General Assembly, requested that the Government of Israel facilitate the visit of the expert, which would take place at a mutually convenient date. Recalling the position taken by the Government of Israel concerning the proposed university, as well as the clarifications already given by the Secretariat to the questions raised by the Israeli authorities (see A/36/593, annex), the Secretary-General expressed the view that such questions could best be discussed on the occasion of the visit of the United Nations expert.

5. On 15 August 2002, the Permanent Representative of Israel sent the following reply to the Secretary-General:

> "Israel has voted consistently against this resolution and its position remains unchanged. It is clear that the sponsors of this resolution seek to exploit the field of higher education for political purposes totally extraneous to genuine academic pursuits. Accordingly, the Government of Israel is of the opinion that the proposed visit of Dr. Mihaly Simai to Israel would serve no useful purpose".

6. In view of the position taken by the Government of Israel, it has not been possible to complete the functional feasibility study on the proposed university at Jerusalem as planned.

United Nations A/57/457–S/2002/1123

General Assembly
Security Council

Distr.: General
8 October 2002
English
Original: Arabic

General Assembly
Fifty-seventh session
Agenda item 36
The situation in the Middle East

Security Council
Fifty-seventh year

Letter dated 8 October 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Lebanon to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a statistical breakdown of Israeli violations of Lebanese sovereignty during the month of September 2002.

The breaches of Lebanon's sovereignty that Israel commits on land, at sea and in the air are in violation of the Blue Line and of the provisions of Security Council resolution 425 (1978), and they pose a threat to stability and promote a climate of tension in the region.

I should be grateful if you would have this letter circulated as a document of the General Assembly, under agenda item 36, and of the Security Council.

(*Signed*) Houssam Asaad **Diab**
Chargé d'affaires a.i.

02-62546 (E) 091002 091002

Annex to the letter dated 8 October 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Lebanon to the United Nations addressed to the Secretary-General

Statistical breakdown of Israeli violations committed during the month of September 2002

In the air				*At sea*	*On the ground*			*Total*	*Remarks*
					Military attacks	*Field violations*	*Infringements*		
Jet fighters	Reconnaissance aircraft	Helicopters	Total	Violations of territorial waters and launching of flares	Air raids and bombardment of military outposts and important centres	Artillery bombardments, shooting, infiltration and placement of installations inside Lebanese territory	Threats and brandishing of weapons, earthmoving and placement of concertina wire inside Lebanese territory		
9	8		17	-	-	1	-	18	Total violations in previous month: 35
									Table does not include violations in the occupied Shab'a farmlands and the Kafr Shuba hills area, a zone of military operations